

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

September 20, 1988

ALL-COUNTY LETTER NO.88-124



TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY PROGRAM COORDINATORS  
ALL COUNTY PROGRAM FISCAL OFFICERS

SUBJECT: UPDATE OF STATE DEPARTMENT OF SOCIAL SERVICES  
IN-HOME SUPPORTIVE SERVICES MODEL CONTRACT

REFERENCE: ALL COUNTY LETTER (ACL) NO.87-45, DATED  
OCTOBER 27, 1987

The purpose of this letter is to transmit to Counties the updated State Department of Social Services (SDSS) In-Home Supportive Services (IHSS) Model Contract.

This updated version of the IHSS Model Contract is the result of an ongoing cooperative effort between the County Welfare Directors Association's (CWDA's) IHSS Contract Subcommittee and SDSS staff.

If you should identify a need to modify the IHSS Model Contract language, in accordance with MPP Section 23-604.21, please submit your modification requests at least 90 days prior to the start of any contract or distribution of an IFB which would use a modified contract. As with all IHSS contracts and IFBs, SDSS approval is required prior to the start of any contract or distribution of an IFB. Counties will be notified in writing within 15 calendar days if the required information is complete or deficient and within 45 calendar days upon receipt of complete information of the decision on each request for modification.

A County request for modification to the IHSS Model Contract shall be reviewed by the State Department of Social Services (SDSS) for approval in the following manner:

1. County-specific requirements that are mandated by specific County ordinances are to be incorporated under the appropriate heading in the existing format of the IHSS Model Contract with specific justification including citations, points and authorities for each inclusion. Changes with justifications based on County ordinances will be approved so long as they do not conflict with Federal and State laws and regulations.

2. There are certain clauses in the IHSS Model Contract that are marked (Option). These clauses were intended to be included or deleted from the contract dependent upon a particular County's specific program requirements. The use of these clauses as written will be approved. Variations from the optional language must be justified as required in section number 4 below.

3. Counties are required to administer Liquidated Damages. Liquidated damages shall be specified in the Model Contract section IV D. Examples of liquidated damages are provided in Section IV D 1 a through i of the Model Contract. Counties may utilize these examples, revise them or develop their own. If clauses other than those listed in the Model Contract are utilized, they shall be reviewed by SDSS under the provisions of number 4 below.

4. A County-specific clause that is considered a change or addition will be considered for approval if it does not distort the original intent of the IHSS Model Contract, replaces it in the proper sequence of the IHSS Model Contract format, and is fully justified. Justification must include a factual basis for the change. Clauses of this type that are approved will be introduced at forthcoming Contracts Subcommittee meetings for possible inclusion in the IHSS Model Contract.

Should an unforeseen or unanticipated emergency situation arise that may not be addressed in regulation, SDSS will continue to assist the Counties in resolving such situations.

Recognizing that laws and regulations change with time and that a vehicle such as the IHSS Model Contract can be built upon and/or improved, SDSS in conjunction with the CWDA will periodically review the IHSS Model Contract for modifications.

If you have any questions, please contact Mr. Jerry Rose of the Adult Services Bureau, at (916) 322-6320.



LOREN D. SUTER  
Deputy Director  
Adult and Family Services

Attachment

cc: CWDA

| COUNTIES        | Sal Barajas<br>323-9065 | Myrlys Hollis<br>445-1749 | Liz Peralta<br>322-0197 | Frank Fong<br>322-0869 |  |
|-----------------|-------------------------|---------------------------|-------------------------|------------------------|--|
| ALAMEDA         | X                       |                           |                         |                        |  |
| ALPINE          |                         |                           |                         | X                      |  |
| AMADOR          |                         |                           |                         | X                      |  |
| BUTTE           |                         |                           |                         | X                      |  |
| CALAVERAS       |                         |                           |                         | X                      |  |
| COLUSA          |                         |                           | X                       |                        |  |
| CONTRA COSTA    |                         |                           | X                       |                        |  |
| DEL NORTE       |                         |                           | X                       |                        |  |
| EL DORADO       |                         |                           | X                       |                        |  |
| FRESNO          |                         |                           | X                       |                        |  |
| GLENN           |                         |                           | X                       |                        |  |
| HUMBOLDT        |                         |                           |                         | X                      |  |
| IMPERIAL        |                         | X                         |                         |                        |  |
| INYO            |                         |                           | X                       |                        |  |
| KERN            |                         |                           | X                       |                        |  |
| KINGS           |                         | X                         |                         |                        |  |
| LAKE            |                         |                           |                         | X                      |  |
| LASSEN          |                         |                           |                         | X                      |  |
| LOS ANGELES     |                         |                           | X                       |                        |  |
| MADERA          | X                       |                           |                         |                        |  |
| MARIN           | X                       |                           |                         |                        |  |
| MARIPOSA        | X                       |                           |                         |                        |  |
| MENDOCINO       |                         |                           | X                       |                        |  |
| MERCED          | X                       |                           |                         |                        |  |
| MODOC           | X                       |                           |                         |                        |  |
| MONO            |                         | X                         |                         |                        |  |
| MONTEREY        |                         | X                         |                         |                        |  |
| NAPA            | X                       |                           |                         |                        |  |
| NEVADA          |                         |                           | X                       |                        |  |
| ORANGE          |                         |                           | X                       |                        |  |
| PLACER          |                         |                           | X                       |                        |  |
| PLUMAS          | X                       |                           |                         |                        |  |
| RIVERSIDE       |                         |                           |                         | X                      |  |
| SACRAMENTO      |                         |                           |                         | X                      |  |
| SAN BENITO      | X                       |                           |                         |                        |  |
| SAN BERNARDINO  |                         |                           |                         | X                      |  |
| SAN DIEGO       | X                       |                           |                         |                        |  |
| SAN FRANCISCO   | X                       |                           |                         |                        |  |
| SAN JOAQUIN     |                         | X                         |                         |                        |  |
| SAN LUIS OBISPO |                         |                           |                         | X                      |  |
| SAN MATEO       | X                       |                           |                         |                        |  |
| SANTA BARBARA   | X                       |                           |                         |                        |  |
| SANTA CLARA     |                         | X                         |                         |                        |  |
| SANTA CRUZ      |                         | X                         |                         |                        |  |
| SHASTA          |                         | X                         |                         |                        |  |
| SIERRA          |                         | X                         |                         |                        |  |
| SISKIYOU        |                         | X                         |                         |                        |  |
| SOLANO          |                         |                           | X                       |                        |  |
| SONOMA          |                         | X                         |                         |                        |  |
| STANISLAUS      |                         |                           |                         | X                      |  |
| SUTTER          |                         |                           |                         | X                      |  |
| TEHAMA          |                         |                           | X                       |                        |  |
| TRINITY         | X                       |                           |                         |                        |  |
| TULARE          |                         |                           | X                       |                        |  |
| TUOLUMNE        |                         | X                         |                         |                        |  |
| VENTURA         |                         |                           | X                       |                        |  |
| YOLO            |                         |                           |                         | X                      |  |
| YUBA            |                         | X                         |                         |                        |  |
| GRAND TOTAL     |                         |                           |                         |                        |  |

COUNTY CONTRACT # \_\_\_\_\_

STATE CONTRACT # \_\_\_\_\_

COUNTY OF \_\_\_\_\_  
PUBLIC SOCIAL SERVICES AGENCY  
CONTRACT TO PROVIDE IN-HOME SUPPORTIVE SERVICES  
THROUGH \_\_\_\_\_  
MAXIMUM AMOUNT SHALL NOT EXCEED \_\_\_\_\_  
MAXIMUM SERVICE HOURS SHALL NOT EXCEED \_\_\_\_\_

**I. DECLARATION**

This contract is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, in the State of California by and between the COUNTY of \_\_\_\_\_, hereinafter referred to as "COUNTY", and \_\_\_\_\_, hereinafter referred to as "CONTRACTOR", for the purpose of providing In-Home Supportive Services (IHSS). It is let in accordance with Title XX, of the Social Security Act; California State Welfare and Institutions Code, Sections 12300 et seq.; California State Department of Social Services (SDSS) Manual of Policy and Procedures (MPP), Divisions 10, 19, 21, 22, 23, 25, 30 and 46 et seq.

**II. DEFINITIONS**

A. In-Home Supportive Services (IHSS) are designed to include:

1. Services pursuant to the State Department of Social Services (SDSS) MPP Division 30, Chapter 700 to provide assistance to those eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. IHSS is an alternative to out-of-home care. Services are limited by the availability of funds.

B. Recipients are persons determined eligible by the COUNTY for IHSS. To be eligible recipients must be living in their own homes within the boundaries of the COUNTY and must meet one of the following conditions:

1. Currently receives Supplemental Security Income (SSI) or State Supplementary Program (SSP) benefits.
2. Meets all SSI/SSP eligibility criteria including income, but does not receive SSI/SSP benefits.
3. Meets all SSI/SSP eligibility criteria except for income in excess of SSI/SSP eligibility standards.
4. Was once eligible for SSI/SSP benefits but became ineligible because of engaging in substantial gainful activity and meets all of the following conditions:
  - a. The individual was once determined to be disabled in accordance with Title XVI of the Social Security Act (SSI/SSP).

- b. The individual continues to have the physical and mental impairments which were the basis of the disability determination.
- c. The individual requires assistance in one or more areas specified under the definition of severely-impaired in SDSS MPP Division 30, Section 753.

C. Description of Services:

1. Domestic services which are limited to the following:

- a. Sweeping, vacuuming, washing and waxing of floor surfaces;
- b. Washing kitchen counters and sinks;
- c. Cleaning the bathroom;
- d. Storing food and supplies;
- e. Taking out garbage;
- f. Dusting and picking up;
- g. Cleaning oven and stove;
- h. Cleaning and defrosting refrigerator;
- i. Bringing in fuel for heating or cooking purposes from a fuel bin in the yard;
- j. Changing bed linen;
- k. Miscellaneous domestic services, e.g., changing light bulbs.

2. Heavy cleaning which involves thorough cleaning of the home to remove hazardous debris or dirt. The COUNTY shall have the authority to authorize this service, only at the time IHSS is initially granted, to enable the provider to perform continuous maintenance, or, if a lapse in eligibility occurs, eligibility is reestablished and IHSS has not been provided within the previous 12 months. The COUNTY shall have the authority to authorize this service should the recipient's living conditions result in a substantial threat to his/her health/safety. Such service may also be authorized when a recipient is at risk of eviction for failure to prepare his/her home or abode for fumigation as required by statute or ordinance.

3. Related services limited to:

- a. Preparation of meals includes such tasks as washing vegetables; trimming meat; cooking; setting the table; serving the meal; cutting the food into bite-size pieces.
- b. Meal cleanup including washing and drying dishes, pots, utensils and culinary appliances and putting them away.

- c. Planning of meals.
- d. Routine mending, laundry, ironing, folding and storing clothes on shelves or in drawers.
- e. Reasonable food shopping and other shopping/errands limited to the nearest available stores or other facilities consistent with the client's economy and needs.

(1) The COUNTY shall not authorize additional time for the recipient to accompany the provider.

4. Nonmedical personal services limited to:

- a. Bowel and bladder care such as assistance with enemas, emptying of catheter or ostomy bags, assistance with bed pans, application of diapers, changing rubber sheets, assistance with getting on and off commode or toilet.
- b. Respiration limited to nonmedical services such as assistance with self-administration of oxygen and cleaning of intermittent positive pressure breathing (IPPB) machines.
- c. Consumption of food consisting of feeding or related assistance to recipients who cannot feed themselves or who require assistance with special devices in order to feed themselves.
- d. Routine bed baths.
- e. Bathing, oral hygiene, grooming.
- f. Dressing.
- g. Rubbing of skin to promote circulation, turning in bed and other types of repositioning, assistance on and off seats and wheelchairs or into and out of vehicles.
- h. Moving into and out of bed.
- i. Care of and assistance with prosthetic devices.
- j. Routine menstrual care limited to application of sanitary napkins and external cleaning.
- k. Ambulation consisting of assisting the recipient with walking or moving the recipient from place to place.

5. Transportation services when the recipient's presence is required at the destination and assistance is necessary to accomplish the travel limited to:

- a. Transportation to and from appointments with physicians, dentists and other health practitioners.
- b. Transportation necessary for fitting health related appliances/devices and special clothing.
- c. Transportation under a. and b. shall be authorized only after social service staff have determined that Medi-Cal will not provide transportation in the specific case.

- d. Transportation to the site where alternative resources provide in-home supportive services to the recipient in lieu of IHSS.
- 6. Yard hazard abatement, which is light work in the yard, may be authorized for:
  - a. Removal of high grass or weeds and rubbish when this constitutes a fire hazard.
  - b. Removal of ice, snow or other hazardous substances from entrances and essential walkways when access to the home is hazardous.
- (OPTION) 7. Protective supervision consisting of observing recipient behavior in order to safeguard the recipient against injury, hazard, or accident.
  - a. This service is available for monitoring the behavior of nonself-directing, confused, mentally impaired, or mentally ill persons with the following exceptions:
    - (1) Protective supervision does not include friendly visiting or other social activities.
    - (2) Supervision is not available when the need is caused by a medical condition and the form of the supervision required is medical.
    - (3) Supervision is not available in anticipation of a medical emergency.
    - (4) Supervision is not available to prevent or control antisocial or aggressive recipient behavior.
  - b. Protective supervision is available under the following conditions:
    - (1) Social services staff has determined that a 24-hour need exists for protective supervision and that the recipient can remain at home safely if protective supervision is provided.
    - (2) Services staff determines that the entire 24-hour need for protective supervision can be met through any of the following or combination of the following:
      - (a) In-Home Supportive Services.
      - (b) Alternative resources.
      - (c) A reassurance phone service when feasible and appropriate.

(OPTION) 8. Teaching and demonstration services provided by IHSS providers to enable recipients to perform for themselves services which they currently receive from IHSS. Teaching and demonstration services are limited to instruction in those tasks listed in Parts C.1., C.3., C.4. and C.6. above.

- a. This service shall be provided by persons who have successfully completed at least \_\_\_\_\_ hours of training as evidenced by a valid certificate.
- b. This service shall only be provided when the provider has the ability to do so effectively and safely.

(OPTION) 9. Paramedical services under the following conditions:

- a. The services shall have the following characteristics:
  - (1) Are activities which persons would normally perform for themselves but for their functional limitations.
  - (2) The activities which, due to the recipient's physical or mental condition, are necessary to maintain the recipient's health.
- b. The services shall be provided when ordered by a licensed health care professional who is lawfully authorized to do so. The licensed health care professional shall be selected by the recipient.
- c. The services shall be provided under the direction of the licensed health care professional.
- d. The licensed health care professional shall indicate to social services staff the time necessary to perform the ordered services.

D. Service hour - The basic unit of time to which the contractual hourly rate will apply and for which COUNTY will be billed and the CONTRACTOR paid in each billing cycle. A service hour is the actual time spent providing the services listed in II.C. above. The service hour does not include training time, travel time, break time or time spent by providers when clients are not at home or refuse services.



### III. DUTIES AND RESPONSIBILITIES

#### A. COUNTY and CONTRACTOR shall have the following Joint Responsibilities:

1. Prepare periodic evaluations to determine a fiscal and program appraisal of the successes and/or deficiencies of this IHSS contract to determine the extent to which the program is achieving its purposes.
2. Confer on all cases in which a client grievance/appeal has been registered regarding the conduct or performance of the provider.
3. Maintain liaison personnel:
  - a. CONTRACTOR must provide COUNTY, in writing, the name and address of the person who has primary responsibility for liaison and coordination of activities of the In-Home Supportive Services Program.
  - b. COUNTY will provide a similar liaison person to CONTRACTOR.
  - c. These persons will act on behalf of their respective organizations to ensure compliance with all contract provisions.

#### B. COUNTY shall have the following responsibilities:

1. Purchase IHSS from CONTRACTOR for appropriate cases, where such services are not otherwise available.
2. Have sole authority for determination of need for In-Home Supportive Services, the level and quality of services required, and the eligibility of individuals to be served.
3. Assess the continuing need for services and evaluate the effectiveness and quality of services performed by the CONTRACTOR pursuant to this agreement. Assessment and authorization of In-Home Supportive Services shall be accomplished by COUNTY staff at least every twelve months.
4. Have the exclusive right to terminate the recipient's participation in the IHSS Program at any time based on regulatory requirements.
5. Have the exclusive right to terminate provisions of service under this contract to any recipient.
6. Have the exclusive right to authorize services for a recipient. The COUNTY shall not be liable for the cost of such services furnished to any recipient unless authorization is designated in writing by the COUNTY.
7. Maintain records which will include, but not be limited to, the assessment of need; case opening and closing dates; description of actual services to be provided.

8. Establish a procedure by which each recipient shall have the opportunity to initiate and participate in a COUNTY review in order to present grievances concerning services under this contract.
9. Evaluate the level and quality of service performed by the CONTRACTOR. This evaluation may include, but is not limited to, inquiries concerning individual employees of the CONTRACTOR.
10. Assist the CONTRACTOR in obtaining complete and current information with respect to pertinent statutes, regulations, policies, procedures and guidelines which apply to the delivery of IHSS.
11. Coordinate services with other community resources and activities.
12. Provide orientation to all appropriate social services staff regarding CONTRACTOR'S bidding, role, responsibilities and contracting agreements.
13. Administer liquidated damages for non-performance as specified in Section IV.D.

C. CONTRACTOR shall have the following responsibilities:

1. Provide IHSS, as herein defined above, as specified herein.
2. Follow the COUNTY policy and procedure to notify the COUNTY within three working days of any changes in the recipient's need for services identified by the recipient which indicates a reassessment of need and/or eligibility may be appropriate, including provisions for 24-hour care and weekend or holiday services. CONTRACTOR shall notify COUNTY, within 5 working days, of each instance of nonreceipt of scheduled services with an explanation and effective dates. CONTRACTOR shall notify COUNTY immediately if the change in circumstances indicates a possible danger to the safety of the recipient.
3. Provide adequate IHSS supervisory staff (at least one IHSS supervisor for each \_\_\_\_\_ hours of actual IHSS service hours authorized each month to recipients). An additional supervisor is to be employed when each \_\_\_\_\_ hour plateau of hours of actual services is reached under this agreement, based on service hours authorized in the immediately preceding month.

NOTE: THIS CLAUSE MAY BE REWRITTEN TO ACCOMMODATE THE USE OF A SUPERVISOR TO PROVIDER RATIO IN LIEU OF HOURS.

4. Provide adequate support personnel to carry out the requirements of this agreement.
5. Employ, orient, train, direct and supervise sufficient numbers of qualified IHSS service providers, including substitute workers. The CONTRACTOR shall employ enough substitutes during providers' vacations or sick leave so that clients will not be deprived of authorized service.

6. Provide an initial mandatory orientation, pursuant to SDSS MPP Divisions 19 and 21 to each new and existing service provider within one month of hiring or initiation of contract. This will include training in specific tasks to be performed. Such training shall be performed pursuant to the plan as attached marked Exhibit \_\_\_\_\_ and made a part hereof.
  7. Ensure that paramedical services for recipients are performed only by personnel who have been trained to provide such care.
  8. Require that a supervisor visit each recipient's home at least once every \_\_\_\_\_ months to:
    - a. Observe the condition of the home;
    - b. Discuss with the recipient the quality of the work provided; and,
    - c. Notify the recipient of the process by which any dissatisfaction over service delivery may be expressed.
- As a part of this supervision, a supervisor shall accompany each newly hired provider on their first work assignment. Additional visits may be required until the provider has demonstrated an adequate level of job performance.
9. To conform with State Department of Social Services Manual of Policies and Procedures, Section 30-767.1, to the fullest extent possible, give preference to the employment and training of public assistance recipients and persons who would otherwise qualify for public assistance in the absence of such employment.
  10. In accordance with WIC Section 12304, allow recipients receiving nonmedical personal or paramedical services, to recruit their own providers. CONTRACTOR shall accommodate client preference in provider assignments in all other cases where practical.
  11. The CONTRACTOR liaison shall provide any information, as requested by the COUNTY, which documents activity and accomplishments of the program.
  12. Provide budget, fiscal, statistical, program and other data as may be required by the COUNTY, which may be used, among other things, to provide basic information to all bidders on subsequent bidding cycles.
  13. Comply and require its officers and employees to comply with the provisions of Section 10850 of the Welfare and Institutions Code and Division 19 of the SDSS Manual of Policies and Procedures to assure that:

- a. All individuals' applications and records made or kept by a public officer or agency in connection with the administration of the provision of the Welfare and Institutions Code relating to any form of public social services for which grants in aid are received by this state or by the federal government will be confidential and will not be open to examination for any purpose not directly connected with the administration of public social services.
- b. No person will publish or disclose, or use or permit, or cause to be published, disclosed or used, any confidential information pertaining to an applicant or recipient.

Inform all of its employees, agents, subcontractors and partners of the above provision and that any person knowingly and intentionally violating the provisions of said State law is guilty of a misdemeanor.

14. Maintain a local office/local offices at \_\_\_\_\_, California, which will remain open for business \_\_\_\_\_ through \_\_\_\_\_ between the hours of \_\_\_\_\_ and \_\_\_\_\_ except for designated holidays. It shall be staffed at all times with appropriate supervisory personnel during business hours.
15. Provide to the COUNTY (quarterly) or (upon request): (Select the appropriate time frame)
  - a. names of all employees working under this contract;
  - b. their addresses and telephone numbers;
  - c. their orientation training records;
  - d. their latest evaluation; and,
  - e. their weekly schedule.

This information shall be used as a means of obtaining an ongoing evaluation and assessment of the services provided by the CONTRACTOR and/or a means of implementing a smooth and orderly transfer to a new CONTRACTOR, if appropriate.

16. Make no charges to recipient for services with the exception of share of cost as delineated in item IV.E.
17. Obtain prior written approval from the COUNTY before subcontracting any of the services delivered under this contract. Any subcontracting will be subject to all applicable provisions of this Contract, and all applicable State and Federal regulations. The CONTRACTOR shall be held responsible by the COUNTY for the performance of any subcontractor.

18. Submit reports or other data as required for the Case Management Information and Payrolling System (CMIPS), the management information system in use in the State Department of Social Services.
19. Abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, the Welfare and Institutions Code, Section 10000, SDSS MPP Division 21, and other applicable federal and state laws to ensure that employment practices and the delivery of social services are non-discriminatory. Under this requirement, the CONTRACTOR shall not discriminate on the basis of race, color, national origin, political affiliation, religion, marital status, sex, age, or handicap.
20. Comply with U.S. Executive Order 11246, entitled "Equal Employment Opportunity." This is amended by U.S. Executive Order 11375 and supplemented in 45 CFR, Part 60. CONTRACTOR shall not discriminate against any employee, or applicant for employment on the basis of race, national origin or ancestry, religion, sex, marital status, political affiliation, age or handicap. Practices in hiring, compensation, benefits, and firing are among the employment practices subject to this requirement.
21. Orient all staff to reporting of any suspected elder and dependent adult abuse pursuant to WIC Sections 15600 et seq. Suspected incidents of abuse should be immediately reported to the COUNTY, followed by a written report within 36 hours.
22. Provide a system by which recipients of service shall have the opportunity to express and have considered their views, grievances and complaints regarding CONTRACTORS' delivery of services.
23. Require applicants for employment to indicate, in writing, whether the applicant has ever been convicted of a crime. CONTRACTOR shall use the following specific language on their applications for employment:

- a. Have you ever been convicted by any court of a crime?

NOTE: You may answer "no" if the conviction is specified in Health and Safety Code Section 11361.5, which section pertains to various marijuana offenses, or, the conviction was under Health and Safety Code Section 11557 or its successor 11366 when that conviction was stipulated or designated to be a lesser included offense of the offense of possession of marijuana.

24. Require proof of identification from a prospective provider prior to placing the prospective provider on a list or registry, or prior to supplying a name from the list or registry to an applicant for, or recipient of, In-Home Supportive Services, as stipulated in WIC Section 12306.5. In addition, CONTRACTOR shall interview all applicants, check and document their references, prior to employment as an IHSS provider.
25. Supervisor must make recipient contact within \_\_\_\_\_ working days (except for provision of emergency services as referenced in Sections III.C.26. and IV.D., as applicable) of the Contractor's receipt of the County service authorization document. A copy of a home evaluation document shall be completed by the Contractor and sent to the County within \_\_\_\_\_ working days following the initial recipient contact. This document shall include, but not be limited to the following: 1) date authorization was received, 2) beginning date of service, 3) proposed service delivery schedule, 4) any problems associated with service delivery, and 5) any other recommendation(s) indicated by the County.
26. Commence services in a timely manner. Unless otherwise stated herein, timely shall mean 10 calendar days from receipt of COUNTY authorization documentation for non-emergency services and within 24 hours for emergency services.
- (OPTION) 27. Provide toll free telephone service 24 hours per day, seven days a week to recipients/providers in order for them to communicate with the Contractor regarding the IHSS Program.

#### IV. FISCAL PROVISIONS

##### A. Costs/Rates:

##### 1. SELECT ONE OF THE FOLLOWING CLAUSES:

(For a ONE YEAR TERM use the following clause):

The maximum amount of this contract for the period \_\_\_\_\_ through \_\_\_\_\_ shall not exceed \$ \_\_\_\_\_. This amount will purchase a maximum of \_\_\_\_\_ service hours at a fixed rate of \$ \_\_\_\_\_ per hour.

(OR)

(For a TWO YEAR TERM use the following clause):  
The maximum amount payable under this contract for the period \_\_\_\_\_ through \_\_\_\_\_, shall not exceed \$\_\_\_\_\_, and for the period \_\_\_\_\_ through \_\_\_\_\_, shall not exceed \$\_\_\_\_\_. The hourly rate for each service hour for the period \_\_\_\_\_ through \_\_\_\_\_, shall be \$\_\_\_\_\_ for \_\_\_\_\_ hours, and for the period \_\_\_\_\_ through \_\_\_\_\_, shall be \$\_\_\_\_\_ for \_\_\_\_\_ hours.

Pursuant to Welfare and Institutions Code (WIC) Section 12302.1, this is a two-year contract, and may be renewed for a period not to exceed one year, subject to approval by the State Department of Social Services.

2. This is a fixed rate cost contract. The rate(s) is (are) supported by the Contract Budget and Budget Narrative EXHIBIT(S) \_\_\_\_\_ which are hereby incorporated by reference and made a part hereof.
3. CONTRACTOR agrees that the hourly rate to be charged to the COUNTY for contracted services and the total cost of furnishing these services for the term of this contract includes all allowable CONTRACTOR costs, both indirect and direct, relative to this contract.
4. Costs must conform with federal costs regulations: OMB Circular A-87, A Guide For State and Local Government Agencies, 48 CFR, Chapter 1, Part 31, Subpart 31.2 (for profit agencies), and OMB Circular A-122 (for non-profit agencies). All equipment purchased by the CONTRACTOR must be depreciated in accordance with 45 CFR 95.705.
5. Payment for all services provided in accordance with provisions under this contract shall be contingent upon the availability of Federal, State and County funds for the purpose of providing IHSS. The COUNTY shall not be required to purchase any definite amount of services nor does the COUNTY guarantee to CONTRACTOR any minimum amount of funds or hours.
6. If the Legislature allocates additional funds for provider wages and benefits during the contract year, the contract may be amended to increase the maximum amount payable and to change affected clauses to allow for increases in wages and benefits consistent with the funding authorized by the Legislature.

7. CONTRACTOR agrees maximum payments for Non-severely Impaired (NSI) and Severely Impaired (SI) recipients are those amounts authorized by the State. The COUNTY will notify the CONTRACTOR of any changes in these amounts.

B. Billings:

1. CONTRACTOR billing cycle shall be consistent with a monthly reporting system which is compatible with the Case Management Information and Payrolling System (CMIPS). CONTRACTOR shall submit billings to the COUNTY, in a format specified by the County, within \_\_\_\_\_ days following the end of the month in which services were delivered. Such billings shall include, at a minimum, an itemized listing of client names and case numbers, authorized hours, and actual service hours rendered. The COUNTY will review the billings and make payment within \_\_\_\_\_ days following the month in question, as specified in Section IV.C.
2. No billing or any part thereof shall be paid by the COUNTY unless the CONTRACTOR submits a certified sworn statement under the penalty of perjury that all employees' wages have been paid on a current basis; that all time sheets supporting said billing have been verified as properly signed, dated, and totaled; and each time sheet will be kept in the CONTRACTOR'S possession for audit purposes.
3. CONTRACTOR must deduct all share of cost liabilities owed by clients when submitting monthly billings for services to the COUNTY. (See share of Cost Item IV.E.)

C. Payments:

1. If the conditions set forth in this Contract are met, the COUNTY shall pay, on or before the \_\_\_\_\_ day of each month of the filing of the billing, the sum of money claimed by the approved billings, (less the share of cost liability and any credit due the COUNTY for adjustments of prior billings). If the conditions are not met in a timely manner, the COUNTY shall pay when the necessary processing is completed.
2. The COUNTY may make mid-month payments no later than \_\_\_\_\_ working days following receipt of billing for services delivered.



3. The COUNTY will not pay for unauthorized services rendered by the CONTRACTOR nor for the claimed services which COUNTY monitoring shows have not been provided as authorized.
4. The COUNTY retains the right to withhold payment on disputed claims.
5. Final payment under contract may be held until termination audit is completed.

D. LIQUIDATED DAMAGES:

NOTE: THE FOLLOWING ARE EXAMPLES OF LIQUIDATED DAMAGES CLAUSES PREVIOUSLY USED IN IHSS CONTRACTS FOR USE BY THE COUNTIES IN DEVELOPING THEIR OWN LIQUIDATED DAMAGES CLAUSE.

1. The COUNTY intends that the CONTRACTOR comply fully with all contractual requirements. CONTRACTOR and COUNTY agree that it would be impracticable and extremely difficult to fix the actual damages in the event CONTRACTOR does not fully comply in the area listed in this section and that the amount set forth in each area listed in this section shall be presumed to be the amount of damages sustained by COUNTY for CONTRACTOR'S non-compliance with the requirements in such area. Upon non-compliance with contract requirements listed below, the COUNTY and CONTRACTOR agree on the following liquidated damages:
  - a. With respect to recipients with established service schedules, \$50 per day/ for each day scheduled homemaker per recipient service is not provided to a recipient through fault of CONTRACTOR;
  - b. With respect to new referrals for service, for each day beyond the 10th calendar day after \$50 per day/ CONTRACTOR is notified of a new per recipient recipient, that service is not provided (24-hours on emergency cases);
  - c. For each day beyond the due date \$50 in which required supervisor or per day provider training is not completed within time frames set forth in the contract.

- d. For each instance in which CONTRACTOR fails to comply fully with all required record maintenance. \$25 per instance
- e. For each instance in which first line supervisors are responsible on the average for more than 3000 service hours during one month. \$25 per instance
- f. For each instance in which supervisors do not meet all license, certification, or experience requirements. \$50 per instance
- g. For each instance in which supervisors fail to perform 10% of their scheduled hours for each month performing monitoring activities in recipient's home. \$25 per instance
- h. For each day beyond the due date in which CONTRACTOR fails to submit the required monthly reports and specified billings on a timely basis. \$50 per day
- i. For each instance in which a months delivered services are less than 95% of the monthly hours authorized. \$50 per day per recipient

The COUNTY Contract Liaison shall advise the CONTRACTOR in writing of his/her intent to assess liquidated damages not less than ten (10) calendar days prior to actual withholding of such amounts from any payment. Notice to the CONTRACTOR shall contain specific instances or causes for assessing the amount, including the dates thereof. Amounts assessed shall be withheld from the next payment of claim submitted under the contract or from the final claim for payment submitted under the contract. Should the CONTRACTOR disagree with the COUNTY'S action the CONTRACTOR may appeal specific assessed liquidated damages for non-compliance items identified by the COUNTY. Such appeal must set forth, in writing, detail of all facts and matters, including records where appropriate which CONTRACTOR believes will justify a resolution to the specific case where liquid damages had been assessed.

Any appeal regarding a dispute on liquidated damages will be resolved by the COUNTY Contract Liaison. This decision shall be in writing and final.

E. Shares of Cost (OPTIONAL ITEM: TO BE USED IF COUNTY WANTS CONTRACTOR TO COLLECT SHARE OF COSTS.):

1. CONTRACTOR agrees that no charges will be made to any recipient of services under this contract unless the recipients have been determined by the COUNTY to have a share of cost liability.
2. In those cases where the recipient is liable for a share of cost, the CONTRACTOR shall be responsible for the collection of that share of cost liability from the recipient and must deduct all share of cost liability owed by recipients from billings submitted to the COUNTY.
3. The CONTRACTOR agrees to refund any over-collection when a recipient does not realize all the authorized hours covered by the share of cost.
4. CONTRACTOR agrees to report delinquent share of cost accounts on a monthly basis.

F. General Accountability:

1. In the event of an audit exception or exceptions, the party responsible for not meeting the program requirement or requirements shall be responsible for the deficiency.
2. In the event of any State hearings award or lawsuit award resulting from the CONTRACTOR'S failure to perform as required by this contract, reimbursement shall be made to the damaged party by the CONTRACTOR.
3. Additional costs to the COUNTY for maintaining any portion of the IHSS Program as a result of the CONTRACTOR'S failure to perform, as required by this agreement, are subject to recoupment by the COUNTY through withholding from billings or any other form of legal action. Notwithstanding any specific liquidated damages defined elsewhere in this agreement, CONTRACTOR'S failure to perform as required in any provision of this agreement shall weigh negatively against the "responsibility" factor inherent in any future IHSS Third Party IFB statewide.

G. Termination:

This contract may be terminated under the following conditions:

1. Failure or refusal of CONTRACTOR to perform or do any act herein required shall constitute a default. In the event of any default, in addition to any other remedy available to the COUNTY, this contract may be terminated by the COUNTY immediately upon written notice and/or services may be purchased from any source by the COUNTY. If a greater price than that named in this contract is paid for such services, the excess price will be charged to and collected from the CONTRACTOR and sureties on his bond, and in addition thereto any other damages proximately resulting from said default may be recovered.
2. This Contract may be terminated by the COUNTY upon \_\_\_\_\_ days written notice if CONTRACTOR breaches this contract or refuses or fails to perform the services under this contract or any phase of such services.
3. This Contract may be terminated by the COUNTY without cause when a \_\_\_\_\_ day written notice is provided to the CONTRACTOR.
4. This Contract may be terminated by the CONTRACTOR without cause when a \_\_\_\_\_ day written notice is provided to the COUNTY.
5. Notwithstanding any other provisions of this contract, the COUNTY may terminate the contract immediately:
  - a. Upon receipt of evidence of probable contract provider mistreatment or abuse of recipients of IHSS services, or of unsafe and hazardous practice in the provision of service; or,
  - b. Upon loss of any license(s) required for lawful operation of CONTRACTOR'S business; or,
  - c. Upon an unauthorized decrease in the required insurance in force; or,
  - d. Upon failure to make payroll payments; or,
  - e. Upon failure to remit payroll deductions in a timely manner to the appropriate state and federal government; or,
  - f. Upon failure to substantially meet other financial obligations; or,
  - g. Upon service of a writ of attachment by creditors of CONTRACTOR.

#### H. Monitoring/Audit Provisions:

1. Authorized representatives of the COUNTY, State and Federal Governments shall have the right to monitor and audit all aspects of operations under this Contract. The right to audit includes that of the State Auditor General to examine and audit this contract for a period of three years after the final payment, in accordance with Section 10532 of the Government Code.
2. CONTRACTOR shall give full cooperation in any monitoring or auditing conducted by governmental entities.
3. COUNTY shall notify CONTRACTOR in writing within 30 calendar days of the discovery of any potential audit exceptions discovered during any monitoring or auditing examination.
4. The COUNTY, shall have the right to audit all billings and records of the CONTRACTOR related to this Contract as required by State law. Any independent public accountant can be appointed by the COUNTY.
5. CONTRACTOR agrees their financial records shall contain itemized records of all costs and be available for inspection in COUNTY within three working days of the request by the COUNTY, State, or Federal agencies.
6. Monitoring by the COUNTY may be accomplished by the following means: field reviews, audit claims, monthly review of records, etc.
7. Record Maintenance:

CONTRACTOR agrees to maintain all program, fiscal, statistical and management records locally and make such records available for inspection by County, State and Federal representatives at all reasonable times. The records to be kept and maintained in connection with this program shall include, but are not limited to, the COUNTY'S assessment of need, case opening and closing dates, billing invoices, records and recipient-contractor service related correspondence. As a part of such records, the time spent at each visit to the recipient shall be recorded and documented by signature or initial of the recipient or recipient representative on a report service format approved by the COUNTY.

8. Records Retention:

CONTRACTOR agrees to maintain all records pertaining to service delivery and fiscal and administrative controls for a minimum of 3 years after final payment has been made, or until all pending COUNTY, State and Federal audits are completed, whichever is later.

Upon request, the CONTRACTOR shall make these records available in the COUNTY to all authorized COUNTY, State, and Federal personnel.

9. Disposal of Records:

Records shall be destroyed in accordance with SDSS MPP Division 23, Section 350.

I. Minimum Standards for Salaries and Benefits:

The CONTRACTOR shall maintain the following minimum standards with regard to salaries and benefits for all employees:

1. All employees shall receive basic statutory coverage for Federal Insurance Contribution Act (FICA), Workers' Compensation, State Unemployment Insurance (SUI) and Federal Unemployment Tax (FUTA) benefits and State Disability Insurance (SDI) Benefits.
2. All employees shall receive wages and benefits which are no less than required by applicable State and Federal law. The minimum wage in California, effective July 1, 1988, will be \$4.25 an hour.
3. The job descriptions, salary levels, step merit increases, related promotional and step merit increase requirements under this contract are as follows:

(INSERT THE JOB DESCRIPTIONS, SALARY LEVELS, STEP MERIT INCREASES, RELATED PROMOTIONAL AND STEP MERIT INCREASE REQUIREMENTS INCLUDED IN THE AWARDED CONTRACTOR'S SUBMITTED BID).

J. Availability of Funds:

Payment of all services provided in accordance with the provisions of this Contract are contingent upon the availability of COUNTY, State and Federal funds for the purposes of providing IHSS. Pursuant to SDSS MPP Division 10, Section 205, the portion of a payment by a County on an IHSS contract in excess of 110% of the allowable cost of service shall not be eligible for matching or reimbursement from State or Federal funds.

V. GENERAL PROVISIONS

A. Term of Agreement:

1. The term of this contract is from \_\_\_\_\_ through \_\_\_\_\_.

NOTE: IF THE TERM OF THE CONTRACT IS FOR TWO YEARS  
ADD THE FOLLOWING CLAUSE:

Pursuant to WIC Section 12302.1 and SDSS MPP  
Section 23-621 the COUNTY has the option to renew  
this Contract for a period not to exceed one year,  
subject to approval by the State Department of Social  
Services.

B. Copyright Access:

The COUNTY, SDSS, and United States Department of Health  
and Human Services (DHHS) shall have a royalty free,  
nonexclusive and irrevocable license to publish,  
translate, or use, now or hereafter, all material  
developed under this Contract including those covered by  
copyright.

C. Totality of Contract:

This Contract contains all the terms and conditions  
agreed upon by the COUNTY and CONTRACTOR and no other  
understanding, oral or otherwise, regarding this  
Contract, shall be deemed to exist or to bind any of the  
parties to this Contract.

D. Alterations, Modifications:

Any alterations, variations, modifications or waivers of  
provisions of this Contract shall be valid only when  
reduced to writing, duly signed and attached to the  
original of this Contract, with prior approval from the  
COUNTY and the State.

E. Contract Transition Process:

The CONTRACTOR agrees to provide all information deemed  
necessary by the COUNTY for use in subsequent bidding  
cycles.

1. When terminating this Contract, for any reason, the  
existing CONTRACTOR shall assist the COUNTY in the  
orderly transfer of the In-Home Supportive Services  
(IHSS) Program to a successor contractor or other  
mode of delivery.
2. The CONTRACTOR shall provide to the COUNTY all  
information requested by the COUNTY that is necessary  
to facilitate a subsequent bidding process.

3. CONTRACTOR shall provide access to the COUNTY, without additional cost to the COUNTY and at least \_\_\_\_ days prior to expiration or termination of this agreement copies of all recipient files, all provider and supervisor employment data, and any other information reasonably necessary to effect a smooth transition.
4. CONTRACTOR will be liable to the COUNTY for any costs incurred by the COUNTY because of CONTRACTOR'S failure to cooperate in the transition process. Recoupment of costs may be through withholding payment of CONTRACTOR'S final billing.

F. Laws Governing Contract:

This Agreement shall be governed and construed in accordance with all of the laws of the State of California, in addition to any other laws cited herein.

G. Licensing or Accreditation:

CONTRACTOR agrees to comply with all applicable State licensing standards, all applicable accrediting standards, and any other standards or criteria established by the State to assure quality of service.

H. Bonding:

1. CONTRACTOR shall obtain a fidelity bond in the amount of at least \$\_\_\_\_\_ per loss. The bond shall cover all CONTRACTOR'S employees, officers and agents. CONTRACTOR shall provide evidence of the bond before the effective date of this Contract. The bond shall be maintained during the term of this Contract.

I. Insurance:

CONTRACTOR shall, prior to commencement of the work, submit a copy of insurance policies evidencing that the CONTRACTOR has obtained for the period of the Contract, from a generally recognized responsible insurer, insurance in the following forms of coverage and specified minimum amounts:

1. A policy or certification of self insurance for Worker's Compensation insurance covering all employees of the CONTRACTOR.



2. Comprehensive General and Automobile Liability Insurance of:

- a) \$ \_\_\_\_\_ Bodily Injury - per person and
- b) \$ \_\_\_\_\_ Bodily Injury - each occurrence and
- c) \$ \_\_\_\_\_ Property Damage or
- d) \$ \_\_\_\_\_ Combined single limit bodily injury and property damage.

3. Contractual liability, including coverage for audit exceptions, in the amount of \$ \_\_\_\_\_.

The policies shall include the COUNTY as co-insured and all policies shall provide thirty (30) days written notice to the COUNTY by certified mail, of cancellation or material change of said policies. Any such policies or insurance shall act as primary insurance, and no insurance held or owned by the COUNTY shall be called upon to cover a loss under said policy.

4. The amounts referenced above are specific to the County of this contract or is an aggregate amount for this and other contracts. And further, if the amount(s) is/are or does become an aggregate for the Contractor, the Contractor shall execute an agreement with the Insurance Company, and provide evidence of said to the County, for the Insurance Company to immediately provide notice to the County of any claim that is filed which may reduce the aggregate amount.

J. Indemnification:

CONTRACTOR shall defend and hold harmless the COUNTY from and against any liability, claims, actions, costs, damages or losses, (1) for injury, including death, to any person or damage to any property arising out of CONTRACTOR'S activities under this Agreement, or (2) incurred by COUNTY as a result of CONTRACTOR'S violation of any duty under this Agreement resulting in any actual or proposed disallowance by the State of California to the COUNTY'S claim for reimbursement, (3) incurred by COUNTY as a result of CONTRACTOR'S failure to pay and discharge any obligation incurred by CONTRACTOR, with third parties in the performance of its duties under this agreement, or (4) incurred by COUNTY from any State hearing cash grant award or lawsuit award resulting from CONTRACTOR'S failure to perform.

K. Independence of Contractor:

CONTRACTOR is, for all purposes arising out of this Contract, an Independent Contractor and shall not be deemed an employee of the COUNTY.

L. Medical Health Consultation Expenses:

CONTRACTOR shall not pay for any medical or health related consultation expenses except as necessary for orientation/training of providers under this contract.

M. State Energy Conservation Plan:

CONTRACTOR agrees to recognize the mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan Title 23, California Administrative Code, as required by the U.S. Energy, Policy and Conservation Act (P.L. 94-165).

N. Clean Air/Clean Water Acts:

Pursuant to 45 CFR, Part 74, Appendix G, Section 14.i. A CONTRACTOR agrees to comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S. Code 1368, Executive Order 11738) and Environmental Protection Agency (EPA) Regulations (40 CFR, Part 15). Under these laws and regulations the Contractor assures that:

1. No facility to be utilized in the performance of a proposed grant has been listed on the EPA list of violating facilities.
2. It will notify the COUNTY prior to award, of the receipt of any communications from the Director, Office of Federal Activities, U.S. EPA, indicating that a facility to be utilized for the grant is under consideration to be listed on the EPA list of violating facilities.
3. It will notify the COUNTY and the U.S. EPA about any known violation of the above laws and regulations.
4. It will substantially include this assurance including this fourth part, in every nonexempt subgrant, contract, or subcontract.

ADD SIGNATURE PAGE. THE FOLLOWING IS A SAMPLE SIGNATURE PAGE:

IN WITNESS WHEREOF, this contract has been executed by the parties hereto upon this date first above written.

CONTRACTOR

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

COUNTY OF \_\_\_\_\_  
BOARD OF SUPERVISORS

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_,  
County Clerk, County of \_\_\_\_\_,  
State of California, and  
ex officio of the Board of  
Supervisors

\_\_\_\_\_  
DEPUTY CLERK

\*\*\*\*\*

## REQUIRED CONTRACT BUDGET

EXHIBIT \_\_\_\_\_

NOTE: SUBMIT ONE BUDGET  
FOR EACH CONTRACT YEAR

COUNTY \_\_\_\_\_

DATE \_\_\_\_\_

CONTRACTOR \_\_\_\_\_

PERIOD BEGINNING \_\_\_\_\_

PERIOD ENDING \_\_\_\_\_

TOTAL SERVICE HOURS FOR PERIOD \_\_\_\_\_

HOURLY RATE \_\_\_\_\_

|                                       | TOTAL COST | HOURLY RATE |
|---------------------------------------|------------|-------------|
| IHSS PROVIDER WAGES                   |            |             |
| FULL TIME                             | _____      | _____       |
| PART TIME                             | _____      | _____       |
| IHSS PROVIDER EMPLOYMENT TAXES        |            |             |
| SOCIAL SECURITY (FICA)                | _____      | _____       |
| FEDERAL UNEMPLOYMENT INS. (FUTA)      | _____      | _____       |
| STATE UNEMPLOYMENT INS. (SUI)         | _____      | _____       |
| IHSS PROVIDER WORKER'S COMPENSATION   | _____      | _____       |
| IHSS PROVIDER EMPLOYMENT BENEFITS     |            |             |
| VACATION                              | _____      | _____       |
| SICK LEAVE                            | _____      | _____       |
| HOLIDAY                               | _____      | _____       |
| HEALTH INSURANCE                      | _____      | _____       |
| DENTAL INSURANCE                      | _____      | _____       |
| IHSS PROVIDER TRAVEL COSTS            |            |             |
| TRAVEL WAGES                          | _____      | _____       |
| MILEAGE                               | _____      | _____       |
| IHSS PROVIDER TRAINING                |            |             |
| TRAINING WAGES                        | _____      | _____       |
| TRAINING STAFF/CONSULTANTS            | _____      | _____       |
| OTHER TRAINING COSTS (SPECIFY)        | _____      | _____       |
| ADMINISTRATIVE SALARIES               |            |             |
| LOCAL ADMINISTRATION                  | _____      | _____       |
| CLERICAL                              | _____      | _____       |
| IHSS SUPERVISORS                      | _____      | _____       |
| SALARIES TO OWNERS/OFFICERS/DIRECTORS | _____      | _____       |
| ADMINISTRATION TAXES                  |            |             |
| SOCIAL SECURITY (FICA)                | _____      | _____       |
| FEDERAL UNEMPLOYMENT INS. (FUTA)      | _____      | _____       |
| STATE UNEMPLOYMENT INS. (SUI)         | _____      | _____       |
| ADMINISTRATIVE WORKER'S COMPENSATION  | _____      | _____       |

|  | TOTAL COST | HOURLY RATE |
|--|------------|-------------|
| ADMINISTRATIVE BENEFITS                  |            |             |
| VACATION                                 |            |             |
| SICK LEAVE                               |            |             |
| HOLIDAY                                  |            |             |
| HEALTH INSURANCE                         |            |             |
| DENTAL INSURANCE                         |            |             |
| ADMINISTRATIVE TRAVEL                    |            |             |
| TRAVEL WAGES                             |            |             |
| MILEAGE                                  |            |             |
| INSURANCE AND BONDING                    |            |             |
| LIABILITY INSURANCE                      |            |             |
| AUTOMOBILE INSURANCE                     |            |             |
| FIDELITY BOND                            |            |             |
| PERFORMANCE BOND                         |            |             |
| OFFICE EXPENSE                           |            |             |
| RENT                                     |            |             |
| MAINTENANCE/JANITORIAL                   |            |             |
| UTILITIES                                |            |             |
| EQUIPMENT (NEW)                          |            |             |
| EQUIPMENT MAINTENANCE                    |            |             |
| EQUIPMENT DEPRECIATION (PURCHASED PRIOR) |            |             |
| ACCOUNTING AND DATA PROCESSING           |            |             |
| TELEPHONE                                |            |             |
| POSTAGE                                  |            |             |
| PHOTOCOPYING/PRINTING                    |            |             |
| SUPPLIES                                 |            |             |
| PERSONNEL ADVERTISING                    |            |             |
| HOME OFFICE EXPENSE                      |            |             |
| INDEPENDENT AUDIT                        |            |             |
| PROFIT (PROPRIATARY FIRMS)               |            |             |
| OTHER COSTS                              |            |             |
| FEE FOR SERVICE                          |            |             |
| TOTAL COST                               |            |             |
| HOURLY RATE                              |            |             |